

MEDIATEK

聯發科技 2020年第一季法人說明會 MediaTek 2020-Q1 Investor Conference

April 28, 2020



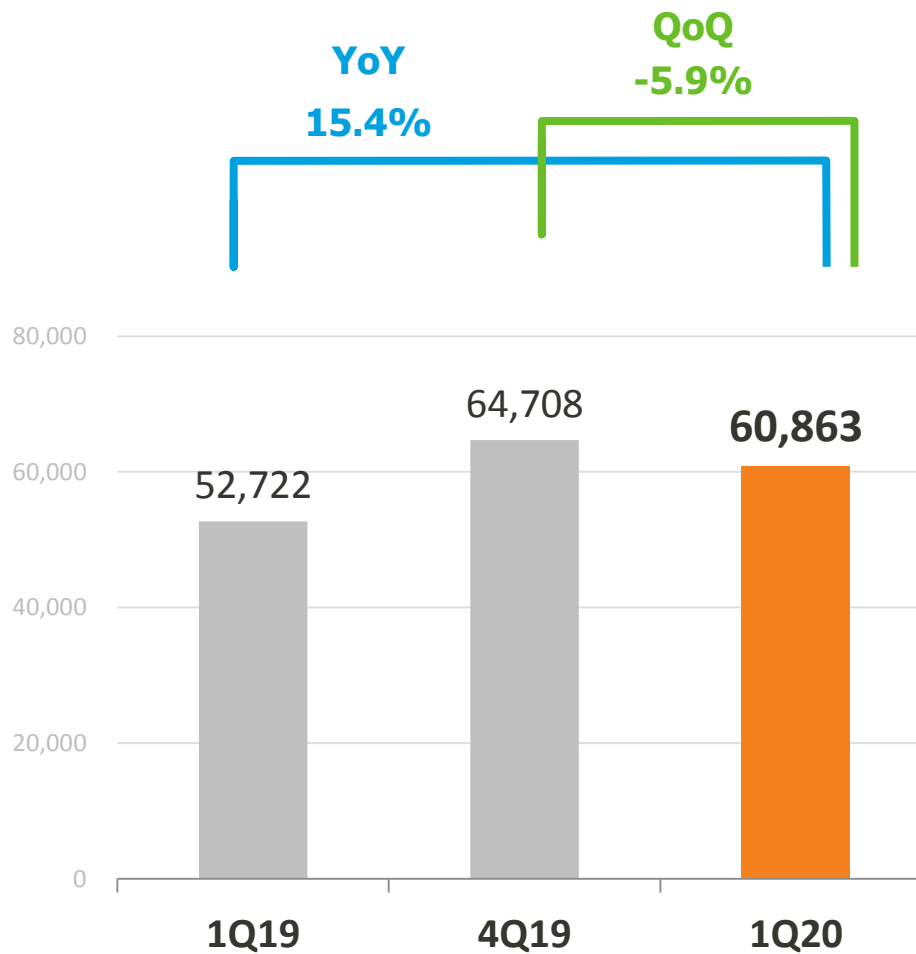
Safe Harbor Statement

These factors may cause actual results materially different from the information provided herein. The factors include the impact of competitive products and pricing, timely acceptance of products design by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand for semiconductor products, market oversupply, availability of manufacturing capacity, financial stability in end markets, potential difficulties in talents retention, unexpected costs and expenses, any merger and acquisition associated uncertainties such as obtaining of regulatory approval or integration delay, loss of significant customers, involvement in legal or administrative proceedings, new regulations that may impact our business operation, fluctuations in foreign exchange rates, global economic conditions or non-economic conditions and any other risks factors.

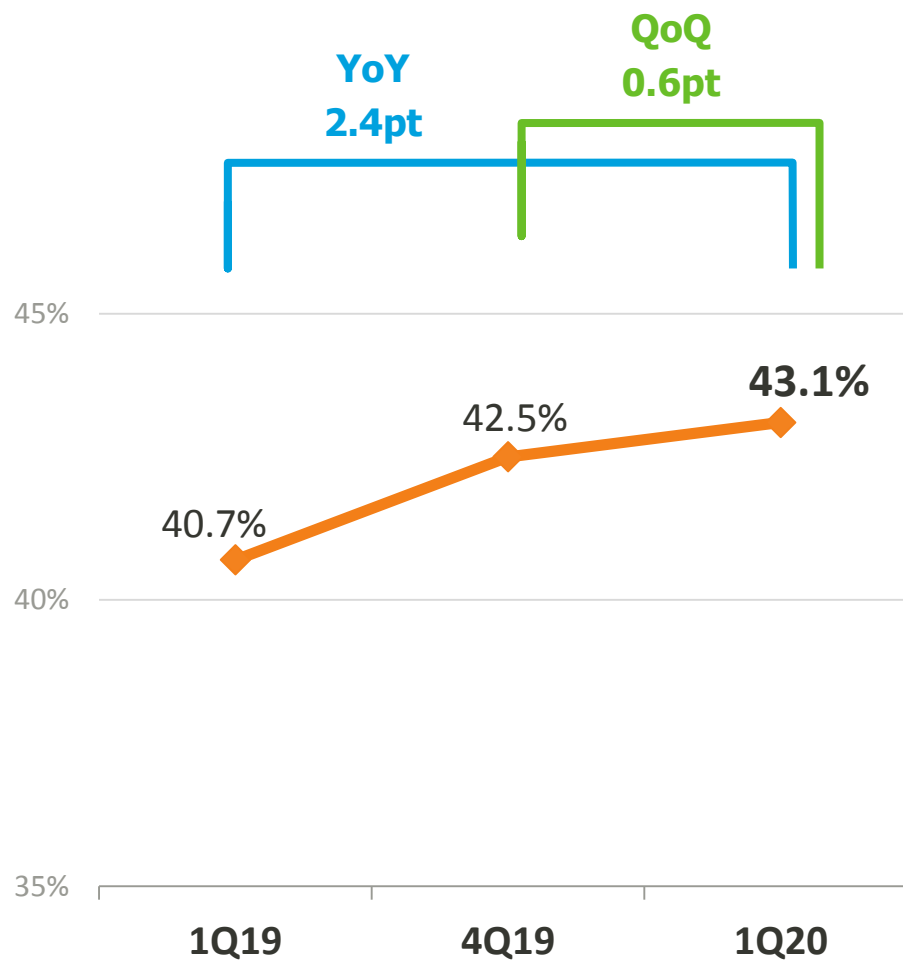
This presentation also supplements Non Taiwan International Financial Reporting Standards (TIFRS, as recognized by FSC) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute for information based on TIFRS. Your attention is called that final actual earnings distribution will be made in accordance with financial statements based on TIFRS.

Consolidated Revenue

(NT\$ million)

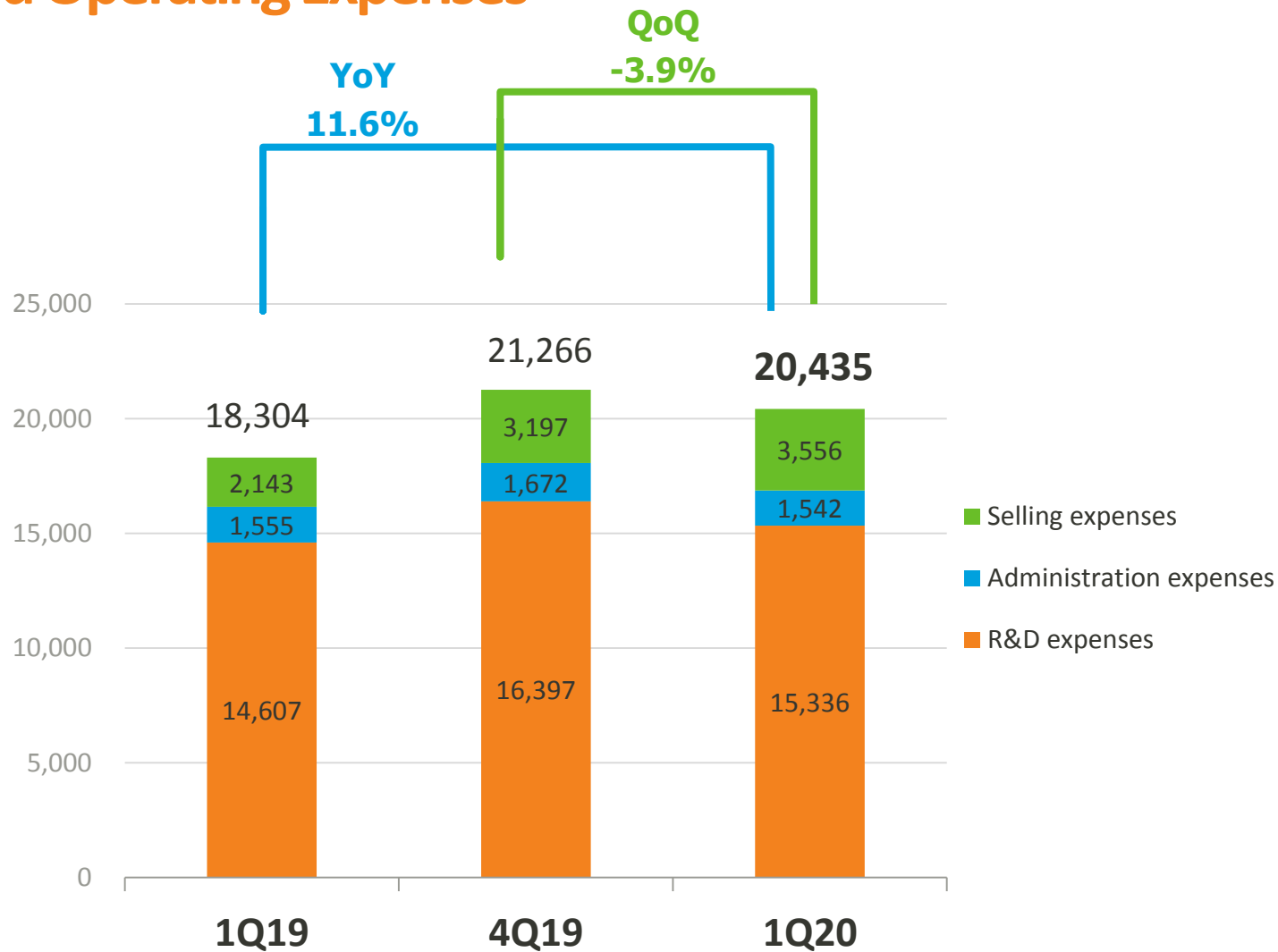


Consolidated Gross Margin



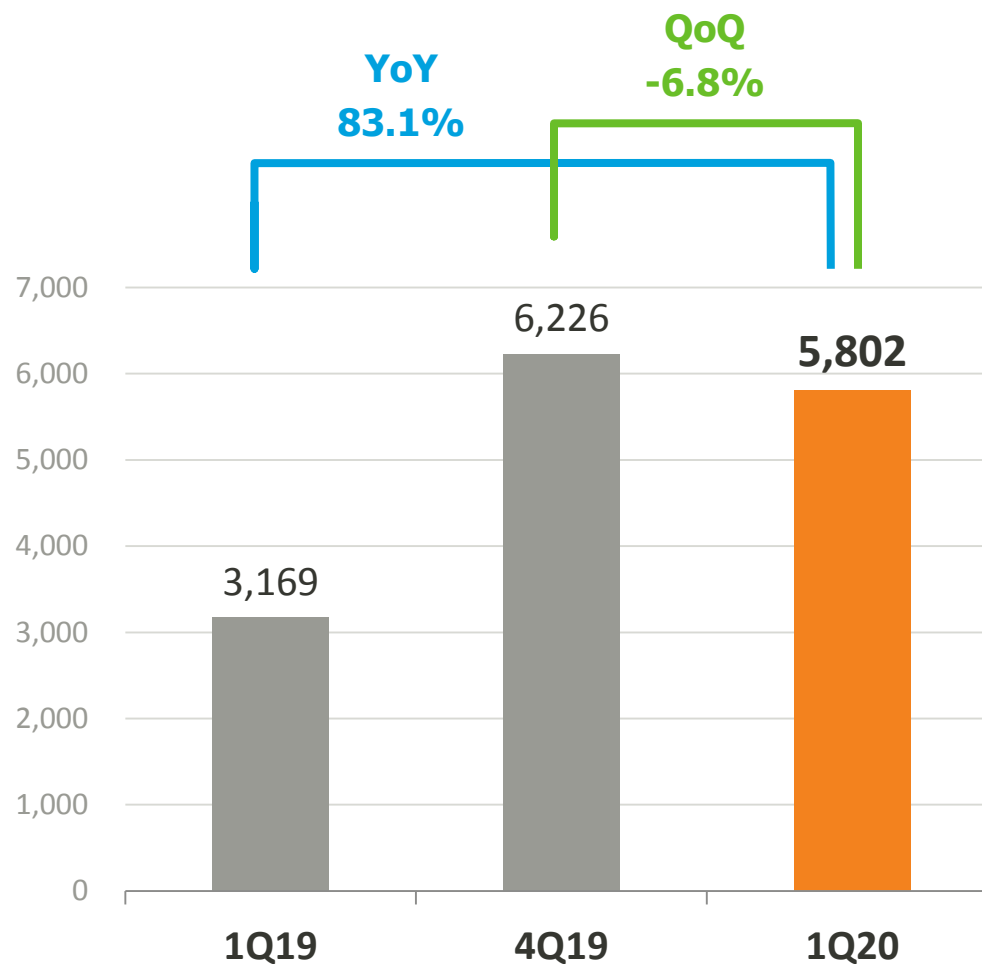
Consolidated Operating Expenses

(NT\$ million)

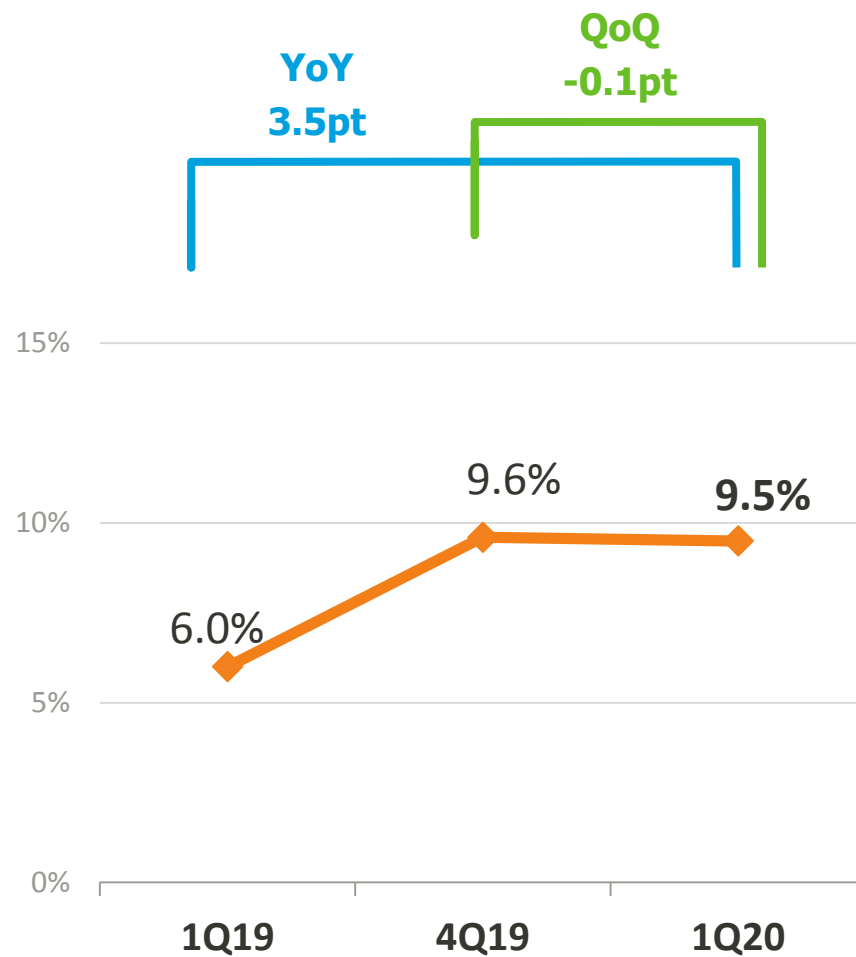


Consolidated Operating Income

(NT\$ million)

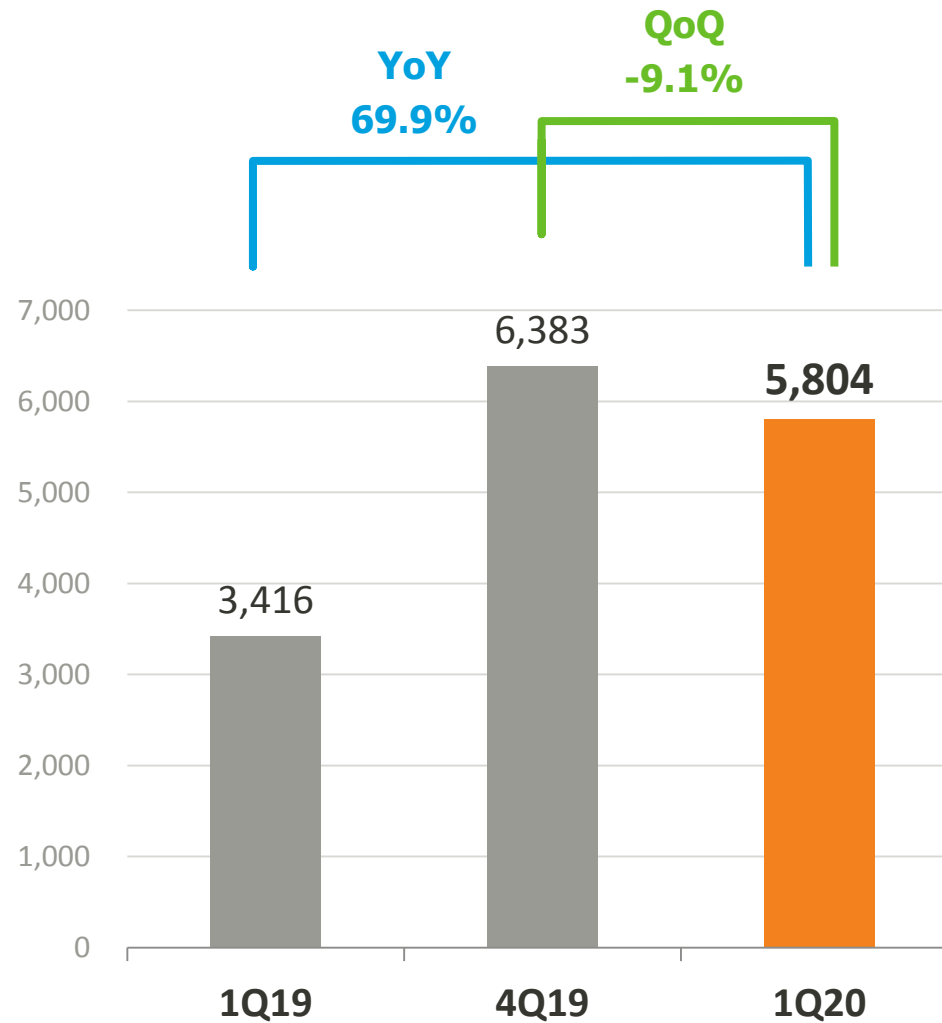


Consolidated Operating Margin

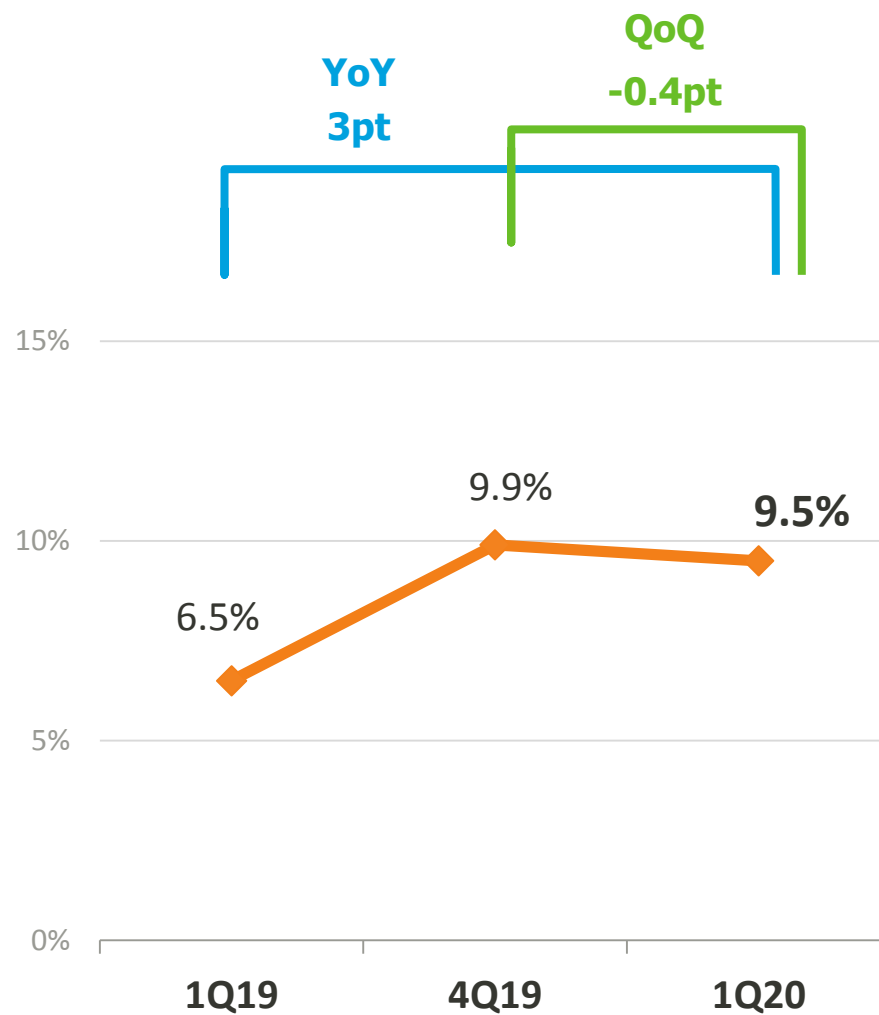


Consolidated Net Income

(NT\$ million)

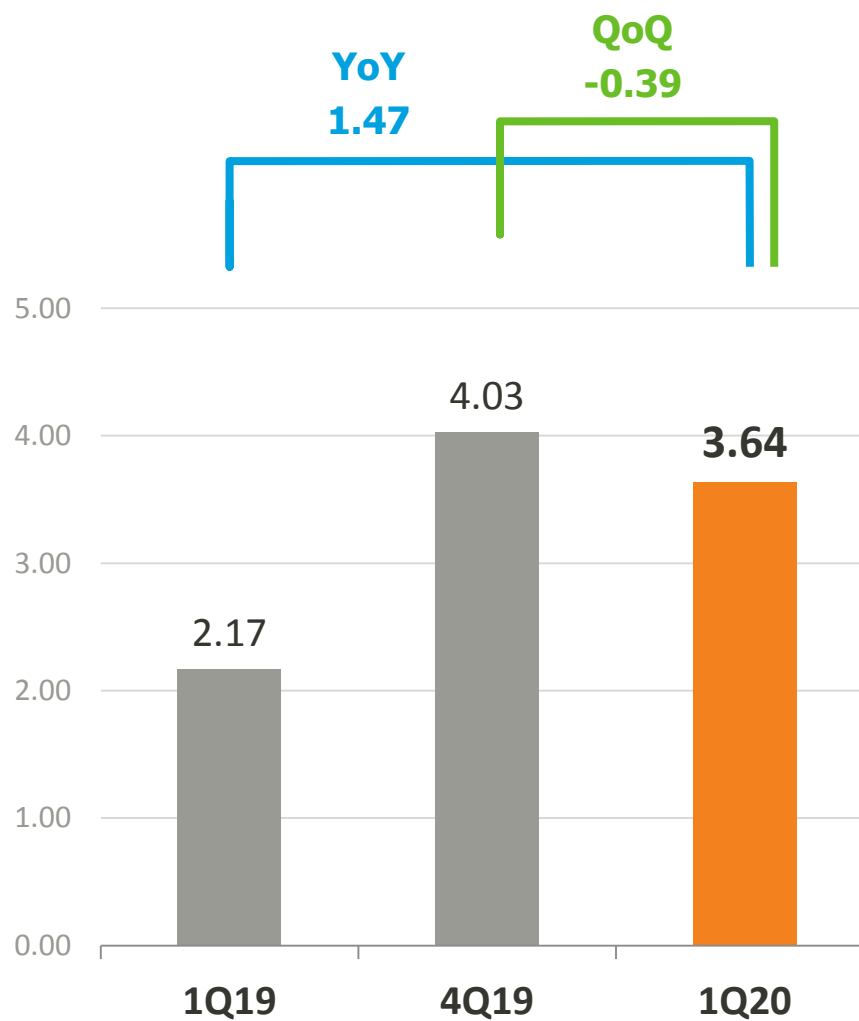


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2020-Q2, we currently expect:
 - ◆ Consolidated revenue: Around NT\$62.1 billion ~ 66.9 billion,
at a forecast exchange rate of 30 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 42.5% ± 1.5%
 - ◆ Consolidated operating expense ratio: 32.5% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS)

Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	1Q20	4Q19	1Q19	Q-Q	Y-Y
Net Sales	60,863	64,708	52,722	(5.9%)	15.4%
Operating costs	(34,626)	(37,216)	(31,249)		
Gross profit	26,237	27,492	21,473	(4.6%)	22.2%
Selling expenses	(3,556)	(3,197)	(2,143)		
Administration expenses	(1,542)	(1,672)	(1,555)		
R&D expenses	(15,336)	(16,397)	(14,607)		
Operating expenses	(20,435)	(21,266)	(18,304)		
Operating income	5,802	6,226	3,169	(6.8%)	83.1%
Net non-operating income	928	829	836		
Net income before income tax	6,730	7,055	4,005		
Income tax expense	(926)	(672)	(589)		
Net income	5,804	6,383	3,416	(9.1%)	69.9%
EPS attributable to the parent(NT\$)	3.64	4.03	2.17		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	1Q20	4Q19	1Q19
Gross profit	43.1%	42.5%	40.7%
Selling expenses	(5.8%)	(4.9%)	(4.1%)
Administration expenses	(2.5%)	(2.6%)	(2.9%)
R&D expenses	(25.2%)	(25.3%)	(27.7%)
Operating income	9.5%	9.6%	6.0%
Non-operating income	1.5%	1.3%	1.6%
Income tax expense	(1.5%)	(1.0%)	(1.1%)
Net income	9.5%	9.9%	6.5%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	1Q20	4Q19	1Q19
Cash & financial assets-current	198,570	203,174	187,586
Accounts receivable	25,376	26,837	25,312
Inventories	32,669	27,615	30,122
Other current assets	8,661	9,103	10,485
Funds and investments	81,096	73,278	45,294
Intangible assets	74,186	70,917	72,929
Other non-current assets	47,256	47,778	47,005
Total assets	467,814	458,702	418,733
Short-term loans	52,139	57,255	58,555
Accounts payable	23,202	22,314	19,975
Other current liabilities	49,074	51,530	42,989
Total non-current liabilities	14,851	13,204	9,912
Total equity	328,548	314,400	287,303

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	1Q20	4Q19	1Q19
Net cash provided by (used in) operating activities	1,931	19,588	1,691
Net cash provided by (used in) investing activities	562	1,502	(1,608)
Net cash provided by (used in) financing activities	(4,615)	2,775	7,739
Effect of changes in exchange rate on cash and cash equivalents	(584)	(2,293)	486
Net increase (decrease) in cash and cash equivalents	(2,706)	21,573	8,309
Cash and cash equivalents at the end of the period	174,839	177,545	151,479

Note : Sums may not equal totals due to rounding.

【Supplemental Information】

Reconciliations of TIFRS Results to Non-TIFRS Results

Reconciliations of TIFRS Results to Non-TIFRS Results^{Note2}

(In NT\$ millions)	1Q20	4Q19	1Q19	Q-Q	Y-Y
TIFRS operating income	5,802	6,226	3,169		
TIFRS net income	5,804	6,383	3,416		
TIFRS EPS(NT\$)	3.64	4.03	2.17		
Non-TIFRS reconciliation items	564	627	652		
Share-based compensation	270	321	370		
Amortization of acquisition related assets	404	417	421		
Tax effect	(110)	(111)	(140)		
Non-TIFRS operating income	6,476	6,964	3,960	(7.0%)	63.6%
Non-TIFRS operating income margin (%)	10.6%	10.8%	7.5%		
Non-TIFRS net income	6,368	7,010	4,068	(9.1%)	56.6%
Non-TIFRS net income margin (%)	10.5%	10.8%	7.7%		
Non-TIFRS EPS(NT\$)	4.00	4.43	2.59		

Note1: Sums may not equal totals due to rounding.

Note2: Non-TIFRS financial information should be considered in addition to, not as a substitute for, TIFRS financial information. Reconciliations between TIFRS and Non-TIFRS results include share-based compensation, amortization of acquisition related assets, tax effect and other items. Earnings distribution is made in accordance with financial statements based on TIFRS.

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